GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3258
ANSWERED ON:07.12.2007
NON COMPLIANCE OF CORPORATE REGULATION
Singh Shri Uday

Will the Minister of FINANCE be pleased to state:

(a) whether SEBI has initiated action against several listed companies for their failure to comply Â¦with corporate Governance regulations;

(b) if so, the details thereof;

(c) whether the Govemment has initiated any steps to ensure that listed companies do not violate the various provisions of the SEBI guidelines; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) : Yes, SEBI has initiated action against twenty listed companies for their failure to comply with corporate governance requirements as stated in Clause 49 of the Listing Agreement.

(c) & (d) : Non compliance of various provisions of SEBI guidelines attract civil and criminal proceedings under Securities Contract Regulation Act 1956, Securities and Exchange Board of India Act 1992, Depositories Act 1996 and delegated powers under Companies Act 1956 which are meant to deter listed companies from violating the provisions.